

Small Business Administration
Privacy Impact Assessment
for
Historically Underutilized Business Zone
September 2005

Privacy Impact Assessment Authorization Memorandum

I have carefully assessed the Privacy Impact Assessment for the HUBZone Application and Certification System. This document has been completed in accordance with the requirements of the E-Government Act of 2002.

MANAGEMENT CERTIFICATION – Please check the appropriate statement.

_____ The document is accepted.

_____ The document is accepted pending the changes noted.

_____ The document is not accepted.

We fully accept the changes as needed improvements and authorize initiation of work to proceed. Based on our authority and judgment, the continued operation of this system is authorized.

D.J. Caulfield
Area Director, U.S. East
HUBZone Program Office

DATE

Terrance Lewis
Computer Specialist
Office of the Chief Information Officer
Office of Information Systems and Support

DATE

Michael P. McHale
Associate Administrator
HUBZone Program Office

DATE

Ethel Matthews
Chief Information Security Officer
Office of the Chief Information Officer

DATE

Lisa Babcock
Chief FOI/PA

DATE

Delorice Price Ford
Assistant Administrator
Office of Hearings and Appeals

DATE

Name of Project: Historically Underutilized Business Zone
Program Office: HUBZone Office
Project's Unique ID:

A. CONTACT INFORMATION:

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B. SYSTEM APPLICATION/GENERAL INFORMATION:

1. Does this system contain any information about individuals?

(a) Is this information identifiable to the individual?

Yes based on the following pre-conditions. The online HUBZone certification system is designed to extract and auto-populate into the appropriate HUBZone application fields pre-existing data already supplied by the applicant concern and electronically available in two other Federal data collection systems, the DOD's Central Contractor Registration (CCR) and the nested SBA's Small Business Source System (SBSS). It is this DOD CCR profile, not the HUBZone application material, that is available to the general public via the Internet and the fields of information can be searched using an electronic query sheet.

Where information (e.g. – other company officials and/or financial data) is not readily available to the HUBZone application system through these two other Federal databases, the applicant is requested to insert this material into the appropriate HUBZone data fields. For senior company officials, this will include business telephone numbers and business e-mail addresses.

The HUBZone-specific data is retained on a secure server that is only available to HUBZone employees based on assigned security roles and levels of pre-approved access.

None of the material collected exclusively by the HUBZone system is ever available to the public for review.

(b) Is the information about individual members of the public?

Yes, within the scope of that individual's role as an owner and/or senior official with the HUBZone applicant concern. Generally, it will include name, e-mail address and ownership interests in other concerns, and whether individual has ever been debarred from Federal contracting.

(c) Is the information about employees?

No

2. What is the purpose of the system/application?

The HUBZone application and certification system is a multi-level certification system that allows an interested party to apply for HUBZone status online, recertify online once every three years to continuing eligibility and participate in randomly generated program examinations (formal SBA audits) that allow the Agency to confirm with documentation a firm's continuing eligibility.

3. What legal authority authorizes the purchase or development of this system/application?

The HUBZone Program was enacted into law as part of the Small Business Reauthorization Act of 1997 as amended. The program falls under the auspices of the U.S. Small Business Administration

C. DATA in the SYSTEM:

1. Generally describe the type of information to be used in the system and what categories of individuals are covered in the system?

As part of the HUBZone certification process, the application form contains data fields requesting identification and e-mails addresses and outside ownership interests of the business owners and senior company executives. It also asks for a point of contact within the company who can supply HUBZone application clarifications as needed.

2. What are the sources of the information in the system?

(a) Is the source of the information from the individual or is it taken from another source? If not directly from the individual, then what other source?

As previously mentioned, the source of information is twofold. The online HUBZone certification system is designed to extract and auto-populate into the appropriate HUBZone application fields pre-existing data already supplied by the applicant and resident in two other Federal data collection systems, the DOD's Central Contractor Registration (CCR) and the nested SBA's Small Business Source System (SBSS).

Where information is not already available (e.g. – other senior company officials and a point of contact who can, as needed, clarify unclear entries in the application), the applicant is requested to insert this material into the data fields.

(b) What Federal agencies are providing data for use in the system?

As noted, the Department of Defense Central Contractor Registration (CCR) system provides data, although the information is filtered through the SBA's Small Business Source System (SBSS) and delivered to the HUBZone application as part of an electronic extraction process.

(c) What State and local agencies are providing data for use in the system?

None

(d) From what other third party sources will data be collected?

None

(e) What information will be collected from the employee and the public?

Affiliation relationships appropriate to the applicant concern and/or the owners of the applicant concern and, specific to the applicant concern, financial and employment data, as well as legal structure.

3. Accuracy, Timeliness, and Reliability

(a) How will data collected from sources other than SBA records be verified for accuracy?

HUBZone certification system contains a routine, the Electronic Verification System, which has been operating since March of 2002. In essence, following the submission of an online application, the system sends to the highest ranking official identified within that applicant concern a separate electronic communication. That senior official is asked to verify whether the individual who submitted the online application is authorized to obligate the firm to the program's requirements. That same communication also contains a listing of the consequences facing a senior official who allows misstatements to be made during the HUBZone application process and makes available to that senior official an opportunity to review the entire application submission for accuracy.

(b) How will data be checked for completeness?

The HUBZone application contains built in logic functions that insure that all required data fields are filled out prior to final submission. In addition, each

application is reviewed by a HUBZone analyst to verify that not only has each field been filled out correctly but that any ambiguous entries are resolved either through clarification, withdrawal by the applicant or, in the most extreme cases, the denial of HUBZone status to the applicant concern.

(c) Is the data current? What steps or procedures are taken to ensure the data is current and not out-of-date? Name the document (e.g., data models).

The material extracted from the CCR/SBSS combined database must, by rule, be updated at least once every 12 months and the information inserted into the remaining HUBZone specific fields are reviewed for currency by HUBZone analysts. Certified firms are required by regulation to also recertify their continuing eligibility once every three years.

(d) Are the data elements described in detail and documented? If yes, what is the name of the document?

Data elements are described in detail and documented in the “HUBZone Certification System Data Dictionary”

D. ATTRIBUTES OF THE DATA:

1. Is the use of the data both relevant and necessary to the purpose for which the system is being designed?

The data is relevant and necessary to establish eligibility for HUBZone certification as stipulated in the Small Business Reauthorization Act of 1997 as amended.

2. Will the system derive new data or create previously unavailable data about an individual through aggregation from the information collected, and how will this be maintained and filed?

The system will not derive new data or create previously unavailable data about an individual through aggregation from the information collected.

3. Will the new data be placed in the individual’s record?

Not applicable, per above.

4. Can the system make determinations about employees/public that would not be possible without the new data?

Not applicable, per above.

5. How will the new data be verified for relevance and accuracy?

Not applicable, per above.

6. If the data is being consolidated, what controls are in place to protect the data from unauthorized access or use?

Not applicable, per above.

7. If processes are being consolidated, are the proper controls remaining in place to protect the data and prevent unauthorized access? Explain.

Not applicable, per above.

8. How will the data be retrieved? Does a personal identifier retrieve the data? If yes, explain and list the identifiers that will be used to retrieve information on the individual.

Not applicable, per above.

9. What kinds of reports can be produced on individuals? What will be the use of these reports? Who will have access to them?

Not applicable, per above.

10. What opportunities do individuals have to decline to provide information (i.e., where providing information is voluntary) or to consent to particular uses of the information (other than required or authorized uses and how individuals can grant consent.)

Not applicable, per above.

E. MAINTENANCE AND ADMINISTRATIVE CONTROLS:

1. If the system is operated in more than one site, how will consistent use of the system and data be maintained in all sites?

Not applicable, since the system is resident in only one location within SBA headquarters, in the Office of the Chief Information Officer (OCIO).

2. What are the retention periods of data in this system?

There is no limit on the retention of this electronic data since the current dataset is so small and is not approaching the upper storage limits of the HUBZone servers.

In addition, firms are required to recertify their continuing eligibility each year, and each recertification is an extension of the initial application resident within the HUBZone database. The system is designed to accommodate this multi-year continuing eligibility option for several years into the future.

3. What are the procedures for disposition of the data at the end of the retention period? How long will the reports produced be kept? Where are the procedures documented?

Since the program only became operational in March 1999 and is still in the process of evolving the core portfolio, there is no basis upon which we can construct a reasonable retention plan. At the present time, the relatively small amount of data now in the system can be maintained within the secure environment so long as the servers remain operational. Discussions have been held, however, with SBA'S OCIO archive specialists to anticipate the time when we will have to develop a retention/disposition plan of action.

4. Is the system using technologies in ways that the SBA has not previously employed (e.g., monitoring software, Smart Cards, Caller-ID)?

No, the Internet – the HUBZone tool for basic service delivery -- has been used by the Agency in the past to collect similar information.

5. How does the use of this technology affect public/employee privacy?

Not applicable, per above.

6. Will this system provide the capability to identify, locate, and monitor individuals? If yes, explain.

No, the system does not permit searches using personal identifiers.

7. What kinds of information are collected as a function of the monitoring of individuals?

None, see above.

8. What controls will be used to prevent unauthorized monitoring?

Not applicable, per above.

9. Under which Privacy Act systems of records notice does the system operate? Provide number and name.

None

10. If the system is being modified, will the Privacy Act system of records notice require amendment or revision? Explain.

System is not being modified, so does not apply.

F. ACCESS TO DATA:

1. Who will have access to the data in the system? (E.g., contractors, users, managers, system administrators, developers, tribes, other)

Access to the HUBZone Application Tracking System is limited to Federal employees of the HUBZone Program and the contractors hired specifically to review incoming files, and those contractors retained as HUBZone system developers

2. How is access to the data by a user determined? Are criteria, procedures, controls, and responsibilities regarding access documented?

Levels of authorized access to the secure HUBZone database server are predetermined through role functions as defined in HUBZone Application Tracking System User's Manual.

3. Will users have access to all data on the system or will the user's access be restricted? Explain.

Access is limited by controlled assignment of a responsibility profile to all users. Each responsibility comes with a pre-determined set of privileges, limiting data that may be viewed to data and reports that are within the duties and needs of the user.

4. What controls are in place to prevent the misuse (e.g., unauthorized browsing) of data by those having access? (Please list processes and training materials)

Agency Security Roles and Procedures/Controls – Agency Security Access Procedures – Access is limited by controlled assignment of a responsibility profile to all users. Each responsibility comes with a pre-determined set of privileges, limiting data that may be viewed to data and reports that are within the duties and needs of the user.

Education of Agency and contractor staff regarding the Privacy Act rules and prohibitions on the dissemination or use of non-public information is mandatory and ongoing. System audit trails can be used to document suspicious or irregular log-ons and navigation of the system. Agency network log-on procedures mandate a posted Privacy notice be viewed and acknowledged prior to entry.

5. Are contractors involved with the design and development of the system and will they be involved with the maintenance of the system? If yes, are Privacy Act contract clauses inserted in their contracts and other regulatory measures addressed?

Yes, Privacy Act contract clauses are inserted into the vendor's contracts, as well as other provisions relating to other regulatory measures.

6. Do other systems share data or have access to the data in the system? If yes, explain.

As noted previously, the online HUBZone certification system is designed to extract and auto-populate into the appropriate HUBZone application fields pre-existing data already supplied by the applicant and resident in two other Federal data collection systems, the DOD's Central Contractor Registration (CCR) and the nested SBA's Small Business Source System (SBSS). The system does not, however, transmit data to any other system, or share data with any other system.

7. Who will be responsible for protecting the privacy rights of the public and employees affected by the interface?

The Associate Administrator for the HUBZone Program is identified as the security officer.

8. Will other agencies share data or have access to the data in this system (Federal, State, Local, other)?

No one outside the employment structure of the HUBZone Program Office has access to the HUBZone database system.

9. How will the data be used by the other agency?

Not applicable, per above.

10. Who is responsible for assuring proper use of the data?

Not applicable, per above.

APPENDIX A

DECLARATION OF PRIVACY PRINCIPLES

The privacy principles set forth in this declaration are based on the ethical and legal obligations of the Small Business Administration to the public and are the responsibility of all SBA employees to recognize and treat their office as a public trust.

The obligation to protect client and partner privacy and to safeguard the information clients and partners entrust to us is a fundamental part of the SBA's mission to administer the law fairly and efficiently. Clients and partners have the right to expect that the information they provide will be safeguarded and used only in accordance with law. In recognition of these obligations, policies and procedures must clearly state who should have access to what information and for what purposes. In addition, appropriate limitations must be placed on the collection, use and dissemination of clients and partners' personal and financial information and sufficient technological and administrative measures must be implemented to ensure the security of SBA data systems, processes and facilities.

All SBA employees are required to exhibit individual performance that reflects a commitment to dealing with every client and partner fairly and honestly and to respect the clients and partners' right to feel secure that their personal information is protected. To promote and maintain clients and partners' confidence in the privacy, confidentiality and security protections provided by the SBA, the SBA will be guided by the following Privacy Principles:

Principle 1:	Protecting citizen, client and partner privacy and safeguarding confidential citizen, client and partner information is a public trust.
Principle 2:	No information will be collected or used with respect to citizens, clients and partners that is not necessary and relevant for legally mandated or authorized purposes.
Principle 3:	Information will be collected, to the greatest extent practicable, directly from the citizen, client or partner to whom it relates.
Principle 4:	Information about citizens, clients and partners collected from third parties will be verified to the greatest extent practicable with the citizens, clients and partners themselves before action is taken against them.
Principle 5:	Personally identifiable citizen, client or partner information will be used only for the purpose for which it was collected, unless other uses are specifically authorized or mandated by law.
Principle 6:	Personally identifiable citizen, client or partner information will be disposed of at the end of the retention period required by law or regulation.

Principle 7:	Citizen, client or partner information will be kept confidential and will not be discussed with, nor disclosed to, any person within or outside the SBA other than as authorized by law and in the performance of official duties.
Principle 8:	Browsing, or any unauthorized access of citizen, client or partner information by any SBA employee, constitutes a serious breach of the confidentiality of that information and will not be tolerated.
Principle 9:	Requirements governing the accuracy, reliability, completeness, and timeliness of citizen, client or partner information will be such as to ensure fair treatment of all clients and partners.
Principle 10:	The privacy rights of citizens, clients and partners will be respected at all times and every citizen, client and partner will be treated honestly, fairly, and respectfully.

The Declaration does not, in itself, create any legal rights for clients and partners, but it is intended to express the full and sincere commitment of the SBA and its employees to the laws which protect client and partner privacy rights and which provide redress for violations of those rights.

APPENDIX B

POLICY STATEMENT ON CITIZEN, CLIENT AND PARTNER PRIVACY RIGHTS

The SBA is fully committed to protecting the privacy rights of all citizens, clients and partners. Many of these rights are stated in law. However, the SBA recognizes that compliance with legal requirements alone is not enough. The SBA also recognizes its social responsibility which is implicit in the ethical relationship between the SBA and the citizen, client or partner. The components of this ethical relationship are honesty, integrity, fairness, and respect.

Among the most basic of a citizens, clients, or partners' privacy rights is an expectation that the SBA will keep personal and financial information confidential. Citizens, clients and partners also have the right to expect that the SBA will collect, maintain, use, and disseminate personally identifiable information and data only as authorized by law and as necessary to carry out agency responsibilities.

The SBA will safeguard the integrity and availability of citizens, clients and partners' personal and financial data and maintain fair information and record keeping practices to ensure equitable treatment of all citizens, clients and partners. SBA employees will perform their duties in a manner that will recognize and enhance individuals' rights of privacy and will ensure that their activities are consistent with law, regulations, and good administrative practice. In our record keeping practices, the SBA will respect the individual's exercise of his/her First Amendment rights in accordance with law.

As an advocate for privacy rights, the SBA takes very seriously its social responsibility to citizens, clients and partners to limit and control information usage as well as to protect public and official access. In light of this responsibility, the SBA is equally concerned with the ethical treatment of citizens, clients and partners as well as their legal and administrative rights.